III. BELLSOUTH PROVIDES NONDISCRIMINATORY ACCESS TO ITS OSS

Based on extensive proceedings and exhaustive reviews of BellSouth's OSS and monthly performance data, as well as the results of KPMG's intensive independent third-party test conducted under the GPSC's supervision, both the GPSC and the LPSC concluded that BellSouth is providing nondiscriminatory access to its OSS. *See GPSC Comments* at 1, 84; *LPSC Evaluation* at 2, 24-54.

The judgment of those agencies is sound. As BellSouth discussed above, competition, and thus ordering volume, has increased substantially over the last few months, particularly for UNE-P orders – BellSouth processed more than three times as many UNE-P orders in Georgia in August than in May. *See BellSouth Stacy/Varner/Ainsworth Joint Reply Aff.* ¶ 9; BellSouth Monthly State Summaries – Georgia, May, August 2001 (B.2.18.3.1.2).[18] Despite this enormous increase in order volumes, BellSouth's performance has remained excellent. It continues to return FOCs and rejects in a timely manner for mechanized, partially mechanized (that is, mechanized orders that do not flow-through), and manual UNE-P orders; it consistently meets its order completion intervals for high-volume products; and it continues to meet appointments both for installation and for maintenance and repair.

Nonetheless, DOJ and some private parties claim that BellSouth's OSS are not sufficient to support commercial entry. Those concerns are not valid. BellSouth's OSS already support robust commercial entry. BellSouth will first address each of the points on which DOJ focused

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[18] BellSouth's performance data (BellSouth's Monthly State Summaries) for the months May through September 2001, were provided to the Commission as attachments to the *ex parte* letter from Jonathan B. Banks, BellSouth, to Magalie Roman Salas, Secretary, FCC (filed Nov. 12, 2001).

in its evaluation, and then address commenters' concerns as to all other aspects of BellSouth's OSS.

A. As the Department of Justice Itself Contemplated, the Commission Should Find on the Full Record That BellSouth Has Satisfied the Issues Raised by the Department's Evaluation

1. Manual Handling and Flow-through

The DOJ's first concern about BellSouth's OSS is that they allegedly rely on too much manual handling. *See DOJ Evaluation* at 14-23. As both the GPSC and the LPSC concluded after their years-long review of these same issues, however, issues concerning manual handling do not deprive CLECs of a meaningful opportunity to compete. *See GPSC Comments* at 101; *LPSC Evaluation* at 42.

First, the vast majority of products can be ordered electronically; CLEC claims to the contrary are either false or based on misunderstandings. *See BellSouth Stacy/Varner/Ainsworth Joint Reply Aff.* ¶¶ 11, 17. *Second*, the significant majority of orders that are submitted electronically can be completed electronically. CLEC orders are rejected at lower rates than in prior 271 applications that have been approved, and the number of orders that do not flow-through BellSouth's system is comparable to or less than in prior successful applications. *See id.* ¶¶ 17-34. *Third*, and just as important, when orders do not flow-through, BellSouth has deployed the centers and resources necessary to handle these orders accurately and in a timely matter; BellSouth consistently meets applicable standards for providing timely FOCs, rejects, and order completions – items that this Commission has identified as key benchmarks for nondiscriminatory performance – and BellSouth's service order accuracy performance is far better than CLECs claim. *See id.* ¶¶ 35-62. *Fourth*, because BellSouth's performance has improved even as order volume for key products has increased significantly, BellSouth has demonstrated that its systems are scalable. *See id.* ¶¶ 63-67. For all these reasons (which are

discussed in detail below), and because this issue is under the active supervision of the state commissions with the threat of significant enforcement penalties, the Commission should rest assured that BellSouth's performance will continue to be nondiscriminatory and will continue to improve.

To put this issue in context, it is important to understand that the number of orders that must be handled manually is, in fact, relatively small. In September, more than 90% of all LSRs submitted by CLECs were submitted mechanically using the electronic interfaces provided by BellSouth. *See id.* ¶ 17. CLECs thus enjoy a relatively high level of efficiency in order processing. The remaining 10% of BellSouth's LSRs that are submitted manually include orders from CLECs that, for their own business reasons, opt for manual processes, as well as CLEC orders for complex or very low volume products that cannot be ordered electronically. *See id.* ¶¶ 18-19.

This Commission has recognized that it is appropriate to handle some orders manually. *See New York Order* ¶ 160 n.488; *Texas Order* ¶ 490; *see also GPSC Comments* at 101; *LPSC Evaluation* at 43. In this regard, CLEC complaints may have led DOJ to a misimpression about the facts. DOJ specifically highlights Covad's statement that the xDSL loops it orders cannot be ordered electronically. *See DOJ Evaluation* at 16 & n.44 (citing *Covad Comments* at 12). In fact, most xDSL loops can be ordered electronically: 83% of xDSL orders submitted from June through August region-wide could have been ordered electronically. *See BellSouth Stacy Reply Aff.* ¶ 227. That Covad has elected not to make use of BellSouth's electronic xDSL ordering capabilities does not mean that such capabilities do not exist. *See BellSouth Stacy/Varner/Ainsworth Joint Reply Aff.* ¶ 19.

Indeed, as William Stacy explains in detail in his reply affidavit (¶¶ 206-233), Covad's complaints about electronic ordering are uniformly misguided. Covad's assertions about BellSouth's electronic processes for xDSL are particularly baffling because Covad both participated in the development of the requirements for electronic xDSL ordering and, as early as September 2000, was a beta test partner for the testing of EDI functionality for xDSL and line sharing, for which it uniformly gave BellSouth excellent ratings. *See BellSouth Stacy Reply Aff.* ¶¶ 206-208.

Covad misleadingly focuses on two types of xDSL loops that cannot be ordered electronically. The first is a new loop type (UCL-ND) that was introduced just this March; that is one of the few xDSL loops that cannot be ordered electronically, and for which order volume is low. *See id.* ¶ 225. The second is the UDC/IDSL loop, which was introduced last year and the electronic ordering for which is currently being developed under the auspices of an industry task force.

Additionally, not only does BellSouth make electronic ordering widely available, but also BellSouth rejects relatively few LSRs that are submitted electronically, giving CLECs a better chance of having their orders processed electronically. *See BellSouth Stacy/Varner/Ainsworth Joint Reply Aff.* ¶¶ 20-24. For example, whereas Verizon rejected 43-49% of resale orders and 21-25% of UNE orders, BellSouth rejected 14% of residential, 22% of business orders, and 20% of UNE orders in Georgia in September. *See id.* ¶ 20.

Moreover, reject rates vary substantially by carrier, and some of BellSouth's largest CLEC customers have very low reject rates, demonstrating that BellSouth's systems are capable of accepting the vast majority of orders. *See id.* ¶ 23. For example, in August 2001, the top ten CLECs by volume in Georgia and Louisiana show reject rates that range from 5.8% to 57.7%.

See id. As this Commission previously concluded when presented with similar evidence, these facts show that reject rates are largely due to "the care a carrier takes in submitting its orders." *Texas Order* ¶ 177. Thus, while WorldCom makes much of its allegedly high reject rates (*WorldCom Comments* at 27), the reply affidavit of William Stacy demonstrates (¶ 204) that those issues are largely traceable to WorldCom's own errors, not to systemic problems.[19]

BellSouth's flow-through rates are similarly comparable to or better than those in prior approved applications. *See BellSouth Stacy/Varner/Ainsworth Joint Reply Aff.* ¶¶ 25-32. For instance, in Massachusetts, 46-49% of Verizon's resale orders flowed through; BellSouth flows through 74-81% of such orders. Similarly, while Verizon flowed through 51-55% of UNEs, BellSouth flows through 58-69%. And, where Verizon flowed through 66-71% of UNE-P orders, BellSouth flows through 64% to 80%. *See id.* ¶ 27. Thus, it is simply not the case that BellSouth's flow-through rates disqualify BellSouth from receiving section 271 approval.

Again, moreover, some CLECs achieve quite high flow-through rates. In August, CLECs achieved flow-through rates ranging from 20% to 98%, with well over 20 individual CLECs with achieved flow-through rates over 90%. *See id.* ¶ 32. BellSouth's OSS are thus "*capable* of flowing through competing carriers' orders in substantially the same time and manner as [BellSouth's] own orders." *Pennsylvania Order* ¶ 49 (emphasis added). *See also GPSC Comments* at 100.

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[19] WorldCom's attempt to compare the reject rates for its UNE-P migration orders in Georgia from May through August 2001 with the reject rates in other states during 2001 is misleading. *WorldCom Lichtenberg Decl.* ¶ 24. A higher reject rate in Georgia may be explained by the fact that WorldCom only began submitting UNE-P migration orders in Georgia in earnest in May 2001. In fact, WorldCom previously complained about the levels of orders rejected by SBC in its comments opposing SBC's application for 271 relief in Texas. *WorldCom Comments* at 22-31, CC Docket No. 00-65; *WorldCom McMillon/Sivori Decl.* ¶¶ 156-159, CC Docket No. 00-65.

Additionally, BellSouth's performance is steadily improving. As the GPSC concluded, since the *Second Louisiana Order*,[20] "[t]he record shows that BellSouth has made considerable strides to increase the level of order flow-through." *GPSC Comments* at 99. BellSouth's June through September flow-through numbers demonstrate that BellSouth's performance has been improving. For resale residential orders, BellSouth's flow-through performance improved from 87.5% to 90.4%; for UNE orders, flow-through increased from 70.7% to 79.3%; and, for resale business orders, flow-through increased from 57.1% to 68.5%. *See BellSouth Stacy/Varner/Ainsworth Joint Reply Aff.* ¶ 25.

BellSouth is committed to even further improvements in flow-through. BellSouth and the CLECs are jointly attempting to identify and implement methods for improving flow-through by means of the Flow-Through Task Force, and the recommendations of that task force are entitled to expedited treatment in the change control process ("CCP"). *See id.* ¶ 73; *BellSouth Stacy Reply Aff.* ¶ 253; *Application* at 76.[21] Additionally, in response to CLEC requests over the past few years, BellSouth has added capabilities so that many orders can now flow-through even though they previously could not. *See BellSouth Stacy Aff.* ¶¶ 287-288 (Application App. A, Tab

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[20] Memorandum Opinion and Order, *Application by BellSouth Corporation, et al., for Provision of In-Region, InterLATA Services in Louisiana*, 13 FCC Rcd 20599 (1998).

[21] In this regard, AT&T's declarant Jay Bradbury is simply wrong in asserting that BellSouth is uncommitted "to significant improvement of its flow-through capability" because it lacks "cost/benefit analyses to evaluate whether it makes good business sense to program its systems to provide flow-through capability for particular types of orders." *AT&T Bradbury Decl.* ¶ 100. BellSouth employs several general criteria for considering whether to mechanize and/or allow flow-through of certain types of requests, and the processes for implementing changes in mechanization are available to the CLEC community. These criteria are: (1) a regulatory obligation to provide mechanized ordering of a particular product or service (which may or may not lead to such requests flowing through); (2) significant volume of requests for a *particular service request type* suggesting mechanization as a labor-saving productivity gain and (3) CLEC community high prioritization of a CCP change request for mechanization. *See BellSouth Stacy Reply Aff.* ¶¶ 250-251.

T). BellSouth stands ready to add further capabilities for electronic ordering where order volume justifies such action.

In any event, as the Commission has repeatedly made clear, flow-through rates are not, in and of themselves, a "'conclusive measure of nondiscriminatory access to ordering functions'"; rather, they are only "one indicium among many of the performance" of a BOC's OSS. *Massachusetts Order* ¶ 77 (quoting *New York Order* ¶ 161). The Commission has thus looked to other factors, including a BOC's overall ability to return timely FOC and reject notices. Memorandum Opinion and Order, *Joint Application by SBC Communications Inc., et al., for Provision of In-Region, InterLATA Services in Kansas and Oklahoma*, 16 FCC Rcd 6237, ¶ 144 n.397 (2001) ("*Kansas/Oklahoma Order*").

In this instance, those other measures conclusively put to rest any conceivable concerns about BellSouth's nondiscriminatory performance. BellSouth consistently meets (indeed, surpasses) the benchmarks on these measures, and those benchmarks are comparable to those the Commission has seen in prior proceedings. *See BellSouth Stacy/Varner/Ainsworth Joint Reply Aff.* ¶¶ 35-62.

First, as BellSouth demonstrated in its Application, BellSouth's performance in returning timely FOCs for partially mechanized LSRs (that is, LSRs that are submitted electronically but fall out for manual handling) has been excellent in both Georgia and Louisiana. *See Application* at 71-72. Thus, even though the GPSC changed the benchmark from 18 business hours to ten business hours for August data, BellSouth still met that benchmark for 97.99% of UNE-P orders in August and 95.95% in September. *See BellSouth Stacy/Varner/Ainsworth Joint Reply Aff.* ¶ 41; *BellSouth Stacy Reply Aff.* ¶ 247; BellSouth Monthly State Summaries – Georgia, August-September 2001 (B.1.12.3). BellSouth met those benchmarks even though order volume almost

doubled from May to September (from 5,081 UNE-P orders to 9,947 UNE-P orders). *See* BellSouth Monthly State Summaries – Georgia (B.1.12.3).

As with FOCs, BellSouth's performance in returning timely reject notices has continued to be strong. For partially mechanized UNE-Ps, even though the GPSC again tightened the interval to ten business hours in August, BellSouth met that interval for 97.49% and 95.51% of orders in August and September (again, even though September order volume increased 33% from May).[22] *See BellSouth Stacy/Varner/Ainsworth Joint Reply Aff.* ¶ 37; BellSouth Monthly State Summaries – Georgia, August - September 2001 (B.1.7.3).

In an attempt to undermine BellSouth's showing on the key FOC and reject measures, WorldCom argues that BellSouth has failed to transmit some notifiers. *WorldCom Comments* at 9; *WorldCom Lichtenberg Decl.* ¶¶ 70-72.[23] But even assuming that WorldCom's allegation of 733 missing notifiers between June and August 2001 is correct, in light of the fact that WorldCom submitted an enormous number of orders (with a minimum of two notifiers per order) during that period, WorldCom was missing only a minute number of notifiers. *See*

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[22] Although the volumes are not as high as in Georgia, a similar story is true for Louisiana as well. In Louisiana, although partially mechanized UNE-P order volumes almost tripled between May and August (from 359 orders to 939 orders), BellSouth also met the new benchmark for FOC timeliness in August. *See* BellSouth Monthly State Summaries – Louisiana, August - September 2001 (B.1.12.3). BellSouth also met the new benchmark for timeliness of reject notices in August, even though partially mechanized UNE-P order volume rose from 238 orders in May to 599 orders in August. *See id.* (B.1.7.3).

[23] WorldCom also raises a specific objection to lost notifiers caused by BellSouth's use of the Value Added Network ("VAN") and blames BellSouth for not suggesting that WorldCom use Connect:Direct. *See WorldCom Lichtenberg Decl.* ¶¶ 36-37. The problem with loss of notifiers was fixed in September 2001. *See BellSouth Stacy Reply Aff.* ¶ 304. WorldCom's other allegation, that BellSouth has prevented WorldCom from using Connect:Direct, is confounding. In fact, because Connect:Direct would reduce the number of potential failure points by two, BellSouth has encouraged WorldCom to utilize Connect:Direct. *See id.*

BellSouth Stacy Reply Aff. ¶ 299. Well over 99% of the WorldCom's notifiers were sent successfully – hardly denying WorldCom a meaningful opportunity to compete. *See id.*[24]

Other key figures provide further confirmation of BellSouth's excellent performance, whether or not an order flows through. In Georgia, BellSouth missed less than 0.2% of UNE-P less-than-ten-circuit, non-dispatch installation appointments in August, even though total order volume for UNE-Ps rose significantly. *See* BellSouth Monthly State Summaries – Georgia, May, August 2001 (B.2.18.3.1.2). BellSouth similarly reduced its order completion interval for UNE-P less than ten circuits, non-dispatch to 0.8 days, again despite a significant hike in volumes. *See id.* (B.2.1.3.1.2).[25]

Nor have BellSouth's OSS caused significant provisioning troubles. The most significant allegation in this regard is the claim, made principally by WorldCom, that BellSouth's two-order process for UNE-P provisioning leads to significant loss of dial-tone. WorldCom claims that this process has led to the loss of dial-tone for as many as 3% of its local customers. *See WorldCom Comments* at 4; *see also AT&T Comments* at 63.

WorldCom's allegations have been fully evaluated and found to be meritless by the GPSC. The GPSC determined that, in fact, only a tiny number of WorldCom's customers had

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[24] Nevertheless, BellSouth has taken an active role in trying to address WorldCom's complaint. Over the last four months, BellSouth's Subject Matter Experts ("SMEs") have been working closely with WorldCom to address these issues through weekly conference calls, daily reconciliations, and re-flows of missing information. *See BellSouth Stacy Reply Aff.* ¶ 299.

[25] Again, a similar story was true for Louisiana, where BellSouth missed only 0.05% of UNE-P less than ten circuits, non-dispatch installation appointments in August, even though total order volume for UNE-Ps rose to more than 2,000 from 963 in May. *See* BellSouth Monthly State Summaries – Louisiana, May, August 2001 (B.1.14 - B.1.15). BellSouth similarly reduced its order completion interval for UNE-P less than ten circuits, non-dispatch to 0.7 days, again despite almost triple the UNE-P order volumes. *See id.*

lost dial-tone on conversion because of this process during the early stages of WorldCom's entry into the Georgia market. *See GPSC Comments* at 135 ("two instances of lost dial-tone out of 3400 UNE-P conversions . . . does not indicate a systemic problem"). The GPSC thus found that, based on the evidence in the record, any alleged instances of lost dial-tone were "isolated occurrences." *Id.*

The reply affidavit of K.L. Ainsworth demonstrates (¶¶ 67-83) that WorldCom's (and AT&T's) assertions about continuing troubles after the end of the GPSC proceeding are also erroneous. In particular, WorldCom appears to assume that any troubles within 30 days of conversion (whether loss of dial-tone or inability to receive calls) are related to the two-order conversion process. That assumption is incorrect, because, as Mr. Ainsworth explains, any such problems would have occurred much earlier than that. When a shorter, but still conservative, eight business-day period is used (three business days before conversion and five after), the number of orders experiencing problems drops well below 1%. *See id.* ¶¶ 68-69. Mr. Ainsworth similarly demonstrates that AT&T's allegations are incorrect. *See id.* ¶¶ 71-75.

WorldCom's argument, moreover, is the same as the one that was raised, and rejected, in prior 271 proceedings. For instance, in Texas, where SBC relied on a *three*-order process, the state commission found identical claims to be overblown, and this Commission concurred: "We agree with the Texas Commission in this matter: evidence submitted by carriers in this proceeding indicates that, at present, service outages associated with UNE-P conversions are relatively infrequent, and thus does not lead us to a different conclusion." *Texas Order* ¶ 199. The same issue was raised again in the *Kansas/Oklahoma* proceeding, with the same result: "While we agree that this issue has the potential to impact numerous competitors' end-users, we note that SWBT has deployed an interim solution, is working through the change management

process to resolve the issue permanently and, since the problem affected so few end-users, we thus find it does not warrant a finding of checklist noncompliance." *Kansas/Oklahoma Order* ¶ 153; *see id.* ("We also reject WorldCom's and McLeodUSA's complaint that the three-order process results in a loss of dial tone for their end-users.").

Like Southwestern Bell, BellSouth similarly has an interim back-up system in place that avoids almost all problems. *See BellSouth Ainsworth Reply Decl.* ¶ 69. As in *Kansas/Oklahoma*, moreover, BellSouth is in the process of implementing a single-order process, which both the GPSC and LPSC have ordered to be in place by January 5, 2002. *See id.* ¶ 82. If BellSouth cannot meet that deadline, it has been ordered to pay penalties of $10,000 per day. The LPSC is also in the process of fashioning penalties for failure to implement this process. *See LPSC Evaluation* at 54.

Finally, it is not the case that BellSouth is unable accurately to provision service orders that are handled manually. As an initial matter, in discussing service order accuracy, it is important to understand that the particular measure contained in BellSouth's SQM is a complex one. That measure reflects the result of a comparison of a statistically valid sample of service orders, completed during a monthly reporting period, to the original account profile and the order sent to BellSouth by the CLEC. A sampled service order is considered to be error-free only if *all* service attributes and account detail changes completely and accurately reflect the activity specified on the original order and any supplemental CLEC order. *See BellSouth Stacy/Varner/Ainsworth Joint Reply Aff.* ¶ 45. Moreover, while results for the Service Order Accuracy measure are reported in a disaggregated fashion, because the measure is based on sampling, it is actually statistically valid only at the aggregate level. *See id.* ¶¶ 44, 48.

Consequently, the most accurate (and the only statistically valid) read on BellSouth's success in provisioning service orders accurately should be based on an examination of overall results without regard to the individual levels of disaggregation. *See id.* ¶ 49. Between March and September 2001, the average performance for Georgia was 86.2%, while the average for BellSouth's region between May and September was 87.7%. *See id.* Those results are particularly noteworthy, given that an error in any of an enormous number of fields can lead to a miss. For example, BellSouth checked 84,943 individual service order fields as it conducted its audit of July 2001 sampled orders for reporting in August. *See id.* ¶ 50. It is significant to note that, of those 84,943 fields checked, only 372, or 0.44%, were found to be incorrect in such a manner as to impact service attributes or account detail. *See id.* Results for August-sampled orders, reported in September, were even better – a check of 61,007 fields yielded only 195 service- or account-impacting errors for an error rate of 0.32%. *See id.* These excellent results, however, are masked by the operation of the Service Order Accuracy measure, which throws a sampled order into the error category if even a single service or account impacting field error is discovered. *See id.* This evidence perhaps explains why CLECs have yet to identify any real-world competitive harm from BellSouth's supposedly sub-par performance on this one metric. *See id.* ¶ 61 (discussing Birch's single example of mistaken provisioning involving a hunt group). Indeed, as BellSouth noted in its Application, downstream measures like "Invoice Accuracy" and "Percent Provisioning Troubles within 30 Days" show strong performance; if service order accuracy were a problem, these two measures would reflect its impact. They do not. *See id.* ¶ 51.

Additionally, there is no reason to believe that BellSouth's performance for CLECs is worse than that for its retail customers. *See id.* ¶ 52. During the seven-month period from

March 2001 through September 2001, the CLEC average service order accuracy rate region-wide ranged from 79.3% to 95%. The average rate for the CLECs during this time period was 87.7%. *See id.* ¶ 53. Using the closest retail analog, for BellSouth customers, the service order accuracy rate ranged from 82.7% to 89.2%, with an average rate of 86.7%. *See id.* ¶ 55.[26]

Despite all this, however, BellSouth is continuing to take steps to improve its performance in this area. *See id.* ¶ 51. BellSouth's service order accuracy performance has improved, and BellSouth expects this trend to continue as the company's ongoing efforts to improve order accuracy are realized. Further, as is clear from an examination of the field-by-field verification results, BellSouth is quite successful in populating the vast majority of the service- or account-impacting information on the service order correctly. *See id.*

In sum, BellSouth's electronic and manual OSS are not a barrier to competition. That is demonstrated not only by the indisputable fact that CLECs can and do order tens of thousands of UNEs every month, but also by review of the performance metrics, including FOC and reject timeliness, to which this Commission has given weight in prior applications.

2. Telephone Number Migration

Closely related to DOJ's concern about manual processing is the issue it raises regarding the need for CLECs to enter a customer's address to transfer the customer's service. DOJ believes that the introduction of telephone number ("TN") migration would be helpful in

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[26] BellSouth's retail service order accuracy rate is calculated differently than the wholesale rate, which makes a direct comparison impossible. Nevertheless, the main points are still valid – BellSouth's performance in accurately completing its retail orders (as measured in the manner used by BellSouth's retail organizations) is also below the 95% level established for BellSouth's wholesale performance. Furthermore, at least as reflected by the manner by which BellSouth measures service order accuracy for its retail customers, BellSouth's accuracy in handling resale orders is comparable to its accuracy in handling CLEC orders. *See BellSouth Stacy/Varner/Ainsworth Joint Reply Aff.* ¶¶ 54-56.

assisting CLECs that seek to provide mass-market service. *See DOJ Evaluation* at 24-25. Again, however, as an initial matter, the competitive evidence demonstrating the significant and increasing volume of UNE-P orders being processed in Georgia suggests that BellSouth can in fact handle mass-market entry with current processes. *See BellSouth Stacy/Varner/Ainsworth Joint Reply Aff.* ¶ 9.

In any event, as discussed in the reply affidavit of William Stacy (¶ 201), on November 3, BellSouth implemented TN migration for 70% of phone numbers (those that are not associated with multiple addresses). BellSouth is now fixing the software issue that causes the problem with multiple-address orders, and expects to have that improvement in place by November 17. *See id.* BellSouth will inform the Commission when that enhancement is fully operational.

Because BellSouth is currently implementing this enhancement, there can be no question that this issue does not create any basis to reject this Application. Indeed, in the *Texas Order*, Southwestern Bell had not yet implemented TN migration at the time of approval, but the Commission nevertheless found compliance with the competitive checklist. *Texas Order* ¶ 178 (describing TN migration as a future enhancement). DOJ also endorsed SWBT's Texas UNE-P offering despite that fact.

Nor is there evidence that the current process leads to a large number of rejects. As discussed above, overall BellSouth's reject rates are comparable to or better than those of other BOCs. Moreover, WorldCom's assertion that the lack of TN migration contributed to its high reject rate is misleading. BellSouth's analysis of WorldCom's reject rate indicates that for the months of June through September, WorldCom's rejects were largely due to other factors, such as WorldCom's trying to convert multiple telephone numbers that were not on the same account

on one LSR. *See BellSouth Stacy Reply Aff.* ¶ 204. WorldCom's high reject rate thus has more to do with its own internal operation than the lack of a TN migration process.

3. Interface Availability

BellSouth's recent performance on the monthly interface availability measurement has been excellent. *See BellSouth Stacy Reply Aff.* ¶ 275. The duration of the outages have been steadily decreasing, and, when outages do occur, BellSouth has suitable procedures and processes in place to address outages in a timely and effective manner. In fact, between May and September 2001, BellSouth met the Georgia and Louisiana PSCs' performance measure of 99.5% for every sub-metric in every month in both Georgia and Louisiana. *See BellSouth Stacy/ Varner/Ainsworth Joint Reply Aff.* ¶ 64; BellSouth Monthly State Summaries – Georgia, May - September 2001 (D.1.1). Thus, even despite rapidly increasing commercial volumes, BellSouth's pre-ordering and ordering interfaces are stable. *See BellSouth Stacy/Varner /Ainsworth Joint Reply Aff.* ¶ 64; *BellSouth Stacy Reply Aff.* ¶ 275.

Nevertheless, DOJ notes that a few CLECs question whether BellSouth's systems are sufficiently available to CLECs. This is an instance where, because it apparently reports more information than have other BOCs, BellSouth is being held to a much higher standard. Consistent with the measures used by Verizon and SBC in prior 271 applications that have been approved, the BellSouth SQM measure calculates full outages only. *See BellSouth Stacy Reply Aff.* ¶ 274. As noted above, when one looks at that measure, which provides an apples-to-apples comparison to prior applications, BellSouth does exceedingly well. *See id.* In addition, however, as part of its robust Change Control Process, BellSouth provides additional information regarding slow-downs, losses of functionality, or partial outages, even if they only involve one CLEC. *See id.* ¶ 276. BellSouth provides such information as a useful tool in informing CLECs

that a problem has been reported, and that BellSouth is actively investigating the issue. *See id.* ¶ 277.

However, because the CCP information includes a broad varieties of events, many of which have little effect, it does not provide as good a measure of overall system performance as the SQM measure. It is the SQM measure that best gauges the availability of BellSouth's systems for all CLECs. Presumably, that is why, in approving past applications, this Commission has referred to analogous metrics that measure total outages. *See Texas Order* ¶ 164 & n.442; *New York Order* ¶ 154. Thus, DOJ's criticism of the SQM measure is misplaced. In any case, even given the broad categories of possible events that are included under this CCP measure, BellSouth's performance under this metric is excellent.[27] *See BellSouth Stacy Reply Aff.* ¶¶ 279-282; *GPSC Comments* at 85-86.

Finally, it should be stressed that BellSouth takes all system outages seriously (as evidenced by the fact that BellSouth tracks more than just full outages) and has teams in place that continually monitor all outages. *See BellSouth Stacy Reply Aff.* ¶ 285. Significant effort and resources are dedicated to ensuring that continuous process improvement is the goal of all of BellSouth's OSS teams. *See id.*

4. Testing and Change Control

Finally, DOJ notes CLEC complaints about BellSouth's test environment and its change management plan. *See DOJ Evaluation* at 26-30. As confirmed by both the GPSC and LPSC,

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[27] With respect to the CCP measure, in August, September and October, LENS was fully available, with no outages or slow-downs, for 98.5%, 94.8% and 98.3% of the time, respectively, it was scheduled to be available. *See BellSouth Stacy Reply Aff.* ¶ 279. Between August and September, EDI had four full outages and one partial outage affecting only one customer, respectively. *See id.* ¶ 280. EDI had one loss of functionality outage in October. *See id.* Finally, TAG was fully available 96.6%, 98.7%, and 98.7% of the time of its scheduled availability during August through October, respectively. *See id.* ¶ 282.

see GPSC Comments at 127; *LPSC Staff Final Recommendation*[28] at 68; *BellSouth Stacy Reply Aff.* ¶¶ 43-44, those CLEC complaints – many of which were unsuccessfully raised in state 271 proceedings – provide no basis to find that BellSouth does not give CLECs an opportunity to compete. *See BellSouth Stacy Reply Aff.* ¶¶ 35-38, 41.

The CLEC complaint that DOJ emphasizes most strongly involves the need for a test environment separate from the production environment. *See DOJ Evaluation* at 27. Even that DOJ was not able to review shows that this complaint is unfounded. In addition to the original testing environment,[29] BellSouth provides access to the new CLEC Application Verification Environment ("CAVE"), which allows a CLEC to perform functional testing on pre-production and post-production releases for 30 days prior to and after the release. *See BellSouth Stacy Reply Aff.* ¶¶ 98, 102-103. In the CAVE testing environment, the actual systems that support CLEC service order creation are completely separate in all relevant respects from those used in production. *See id.* ¶¶ 102-104. Because CAVE replicates only the service ordering system, it is true that the CAVE environment continues to rely on BellSouth's downstream production OSS, which primarily support provisioning, billing, and pre-order functions. *See id.* ¶¶ 102-103, 105. But, since the order creation systems are separate, the sharing of processors should have no impact on regular CLEC orders. Moreover, BellSouth has implemented numerous safeguards to

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[28] Staff's Final Recommendation, *Consideration and Review of BellSouth Telecommunications, Inc.'s Preapplication Compliance with Section 271 of the Telecommunications Act of 1996*, Docket No U-22252(E) (LPSC Aug. 31, 2001) (Application App. C – La., Tab 22).

[29] The original testing environment provides CLECs with a full opportunity to test new maps of the interfaces or to test the programming of their newly established EDI or TAG interfaces. Three CLECs used the testing environment in 1999. As of the end of December 2000, 20 CLECs have used it to test EDI, and 27 CLECs have used it to test TAG. In 2001 thus far, 13 CLECs have used this environment to test EDI, and 17 have used it to test TAG. *See BellSouth Stacy Reply Aff.* ¶¶ 100-101.

keep test orders separate from the provisioning systems downstream from SOCS. *See id.* ¶¶ 102, 104, 106. In any event, AT&T's and WorldCom's arguments are refuted by the fact that, to date, multiple CLECs have submitted well over 100 test orders in CAVE with no conflicts between test and production data. *See id.* ¶ 107.

Indeed, the only specific allegation that DOJ notes about the alleged shortcomings of BellSouth's testing environment is WorldCom's claim that BellSouth sent more than 1,500 messages related to production orders into the WorldCom test environment. *See DOJ Evaluation* at 27; *WorldCom Comments* at 42. That claim is unsubstantiated. In response to a trouble ticket opened by WorldCom raising this claim, BellSouth investigated this issue thoroughly, and it was unable to find evidence that this trouble had occurred. *See BellSouth Stacy Reply Aff.* ¶ 108. All BellSouth test boxes were checked, and no files were found that had been translated for transmission to WorldCom. *See id.* Further, BellSouth checked with Peregrine, its VAN provider, and verified that no test files had been sent to WorldCom via the VAN. *See id.* Accordingly, BellSouth verbally advised WorldCom of its findings on October 3, 2001. *See id.* BellSouth then closed the trouble ticket on October 9, 2001, after receiving no response from WorldCom. *See id.* As of today, more than a month later, BellSouth has heard nothing further from WorldCom about this issue. *See id.*

Additional CLEC complaints about testing are no more substantive. CLECs raise several issues with BellSouth's requirement that CLECs use test codes, instead of the CLECs' own codes, when using CAVE. *See AT&T Bradbury Decl.* ¶¶ 215-217; *WorldCom Lichtenberg Decl.* ¶¶ 159, 161. The test codes enable BellSouth to keep test orders separate from orders submitted in the production environment. *See BellSouth Stacy Reply Aff.* ¶¶ 104, 115. Moreover, the objective of CAVE is to allow CLECs to test their code for their electronic, machine-to-machine

interfaces through service order creation. *See id.* ¶¶ 105, 115. Requiring a CLEC to use test codes (which CLECs can easily program into their interfaces) does not interfere with this objective. That fact is borne out by evidence that several CLECs, including AT&T, have successfully submitted test orders. *See id.* ¶ 115.

CLECs raise similar arguments with BellSouth's requirement that CLECs use dedicated test scenarios. *See AT&T Bradbury Decl.* ¶ 215. Notwithstanding that the test scenarios were created in direct response to a change request submitted by AT&T, *see BellSouth Stacy Reply Aff.* ¶ 117, the test scenarios also allow the BellSouth test support teams to accurately track the test cases as they route through the CAVE systems. *See id.* ¶ 116. Although AT&T complains that the number of test scenarios is limited, BellSouth provides via the test agreement process a catalogue of test scenarios that a CLEC can submit in the form of a test case, and CLECs may provide BellSouth with a list of scenarios that they wish to test. And if it does not like the test scenarios provided by BellSouth, the CLEC is free to negotiate more or different scenarios during the negotiation of the test agreement. *See id.* ¶ 118; *see also Texas Order* ¶ 142. To date, each CLEC or vendor, including AT&T, that has tested using CAVE has provided one or more additional or modified test scenarios beyond the initial set furnished by BellSouth. *See BellSouth Stacy Reply Aff.* ¶ 118.[30]

Birch Telecom and AT&T also complain about the exclusion of LENS and RoboTAG™ from CAVE. *See AT&T Bradbury Decl.* ¶¶ 219-221; *Birch Telecom Wagner Decl.* ¶¶ 14, 18.[31]

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[30] At Covad's request, BellSouth has agreed to include LENS in the CAVE environment beginning December 10, 2001, for a beta test of line-splitting. *See BellSouth Stacy Reply Aff.* ¶ 122.

[31] Covad alleges that BellSouth does not have a testing environment available for EDI, and raises KPMG's Exception 6 in the Florida third-party test. *Covad Comments* at 6-7. Covad's reliance on Exception 6, which concerns BellSouth's original test environment, is

As BellSouth explained in its Application, when BellSouth modifies LENS or RoboTAG™, BellSouth does all the programming, and there is nothing to "test" from this perspective. *See BellSouth Stacy Reply Aff.* ¶ 120. As DOJ recognizes, the purpose of a test environment is to ensure that CLEC "software interfaces interact correctly with the RBOC's interfaces." *DOJ Evaluation* at 26. Because BellSouth does all the programming with LENS and RoboTAG™, that is not a concern in that instance. Notably, CLECs can test Verizon's EDI and Common Object Request Broker Architecture ("CORBA," which is the protocol used for BellSouth's TAG) interfaces using Verizon's similar test environment, but not Verizon's Graphical User Interface ("GUI") interface.[32] *See BellSouth Stacy Reply Aff.* ¶ 120.

For all these reasons, on a full record, there is no tenable basis to conclude that BellSouth's test environment has denied CLECs an opportunity to compete. Indeed, as noted above, DOJ cites to only a single WorldCom allegation about one supposed incident. *See id.*

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misplaced. BellSouth has used a separate test environment (BellSouth's original testing environment) to conduct system readiness testing of new entrants using the EDI interface since 1997. *See BellSouth Stacy Reply Aff.* ¶ 125. KPMG felt the test environment, along with internal and external documentation, could be improved and issued Florida Exception 6. BellSouth provided KPMG with documentation about the technical details on the environment in an effort to satisfy the exception and resolve the issue. *See id.* BellSouth has also made the suggested documentation changes to the Electronic Interface Implementation and Upgrade Communication Plans, and has proposed changes to the CCP document, which will be discussed in the Change Control Process meeting of November 14, 2001. In any event, Covad's complaint lacks merit because the original test environment as it currently exists provides CLECs with a full opportunity to test new maps of their interfaces, or to test the programming of their newly established EDI or TAG interfaces. *See id.* ¶ 126.

[32] In any event, if the CLECs disagreed with BellSouth's decision to exclude LENS and RoboTAG™ from CAVE, with the number of CLECs that can use CAVE simultaneously or the use of BellSouth-provided codes, or with any other item in the requirements for CAVE (first distributed January 9, 2001 and discussed on January 17-18, 2001), the issues should have been addressed through the escalation and dispute resolution processes of the CCP. *See BellSouth Stacy Reply Aff.* ¶ 118. Neither AT&T nor any other CLEC did this, nor has any CLEC submitted a change request for additional functionality to CAVE since CAVE was made generally available to the CLEC community. *See id.*

¶¶ 107-108. As BellSouth has shown with evidence unavailable to DOJ, there is no evidence to show that this incident occurred, much less that it demonstrates a systemic problem.[33]

As to the CCP more generally, BellSouth meets all of the requirements set by this Commission.[34] First, BellSouth's change management procedures are clearly organized and readily accessible to all CLECs in a single document available at BellSouth's change control Internet web site. *See id.* ¶ 42; *GPSC Comments* at 127-28. Second, CLECs have had substantial input in the design and continued operation of the change management process from its inception. *See BellSouth Stacy Reply Aff.* ¶ 42; *GPSC Comments* at 127. Third, the CCP includes a procedure for the timely resolution of change management disputes. *See BellSouth Stacy Reply Aff.* ¶ 42. These findings were all validated by KPMG's third-party test in Georgia. *See id.* ¶ 40.

Both the GPSC and LPSC, which have first-hand experience with the development and use of these processes, have concluded that BellSouth's change management procedures provide CLECs with a meaningful opportunity to compete. *GPSC Comments* at 127-29; *LPSC Staff*

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[33] Finally, CLECs raise two complaints about the availability of CAVE. After consulting with Verizon on its test environment, BellSouth designed CAVE to have a capacity of a maximum of ten CLECs simultaneously to access the CLEC test bed, on a first-come, first-served basis. AT&T complains that ten simultaneous users is not enough. This argument is truly baffling, however, given that, at this point, CAVE has had no more than three simultaneous users, and no CLEC has alleged an inability to submit a test LSR because of limited capacity. *See BellSouth Stacy Reply Aff.* ¶ 110. Moreover, AT&T and WorldCom argue that CLECs require more than 30 days prior to, and after, a software release to test that release in CAVE. As an initial matter, this Commission has already found that a one-month period for testing is sufficient. *See New York Order* ¶ 121. Moreover, this option was considered, but ultimately rejected, by BellSouth after BellSouth found that such an environment could not be supported without extending substantial costs to the CLECs. *See BellSouth Stacy Reply Aff.* ¶ 111. BellSouth, therefore, has committed to support reasonable test intervals as they relate to the production release cycle. BellSouth and the CLECs discussed both these issues when they reviewed the requirements on January 17-18, 2001. *See id.*

[34] *See, e.g., Pennsylvania Order*, App. C, ¶ 42.

Final Recommendation at 64-69. The CLECs' complaints noted by DOJ do not affect that conclusion.

DOJ cites CLECs' assertions that there are questions relating to prioritization and implementation of CLEC change requests. *See DOJ Evaluation* at 29 n.96. These concerns were raised by one of AT&T's declarants. *See AT&T Bradbury Decl.* ¶¶ 182-184, 188-189. They are baseless. As an initial matter, BellSouth does not have the final decision regarding the prioritization of proposed changes. *See BellSouth Stacy Reply Aff.* ¶ 59. The CCP prioritization process does allow CLECs to be involved in the prioritization of any "CLEC Affecting" change requests, which are any changes that either requires the CLEC to modify the way it operates or causes it to rewrite system code. *See id.*

Moreover, the facts belie the claim that BellSouth has implemented a disproportionate share of BellSouth's change requests as compared to those of CLECs. *See AT&T Bradbury Decl.* ¶¶ 190-195; *WorldCom Lichtenberg Decl.* ¶¶ 125-146. Since the inception of BellSouth's CCP, 32 CLEC-initiated change requests for new functionality have been implemented, and 33 BellSouth-initiated change requests for new functionality have been implemented. *See BellSouth Stacy Reply Aff.* ¶ 63. Moreover, while it takes longer to implement CLEC requests than BellSouth requests, that difference is reasonable because, unlike the CLEC figure, the BellSouth figure does not include the time needed for BellSouth to develop its requests before submitting them. *See id.* ¶ 68. More generally, as demonstrated by William Stacy in his reply affidavit, BellSouth has specifically proposed to allocate equivalent programming capacity to CLEC-requested changes (including ones that CLECs have requested and obtained through regulatory proceedings) and BellSouth requested ones. *See id.* ¶ 69. While CLECs will likely never be satisfied with BellSouth on this point, "the CCP is an adequate systems change management

process to which BellSouth has adhered over time," as the GPSC expressly found. *GPSC Comments* at 127.

CLECs also have argued that BellSouth possesses "sole power" over changes to the CCP through an alleged "veto" power. *See, e.g., AT&T Bradbury Decl.* ¶ 175; *WorldCom Lichtenberg Decl.* ¶ 126. BellSouth, the state PSCs, and KPMG all disagree. No such veto power exists. If a dispute arises based upon a BellSouth response, or any other CCP issue, the CCP contains an escalation and dispute resolution procedure that provides either party the opportunity to take the issue to the state PSC for assistance. *See BellSouth Stacy Reply Aff.* ¶ 54. *See also New York Order* ¶ 108. That procedure – where the state PSC has the final word on any decisions – hardly qualifies as one in which BellSouth has any true veto power. *See BellSouth Stacy Reply Aff.* ¶ 54. Notably, neither AT&T nor WorldCom has used the dispute resolution process for even one of the issues raised in their comments. *See id.*[35]

CLECs also assert that BellSouth's "CCP is inadequate in scope" because it does not cover BellSouth's back-office legacy systems. *AT&T Bradbury Decl.* ¶ 201. The CCP document itself makes clear that those systems are not covered by the CCP. *See BellSouth Stacy Reply Aff.* ¶ 54. BellSouth does not believe that notice to CLECs is required when it changes its

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[35] AT&T's real complaint appears to be that BellSouth has any rights at all as a stakeholder in this process. AT&T appears to believe that BellSouth should automatically acquiesce to CLEC requests (or voting results), even if those requests (or voting results): (1) go beyond BellSouth's obligations under FCC orders; (2) are not feasible under BellSouth's current technical capabilities or policies; (3) require BellSouth to make substantial financial investments for a potential limited use by the CLEC community as a whole; or (4) do not fall under the purview of the CCP. *See BellSouth Stacy Reply Aff.* ¶ 49. Where BellSouth declines to adopt a CLEC request – from either a single CLEC, or the CLEC community – BellSouth always provides a response through the CCP under one of the categories described above, and where appropriate, that response is explained by a BellSouth subject matter expert on the issue. *Id.* ¶ 50. Of course, the escalation process is available to any CLEC dissatisfied with BellSouth's decision. *Id.* ¶ 54.

legacy systems unless the change would affect CLECs. BellSouth employs neutral criteria to determine whether a change is CLEC-affecting, and, if it is, BellSouth notifies the CLECs using the appropriate intervals that are contained in the CCP. *Id.* ¶¶ 72, 75.

Finally, AT&T complains about the lack of a "go/no go" point – under which CLECs decide whether or not to implement a new release – in BellSouth's CCP. BellSouth, however, has an effective versioning policy, which requires BellSouth to support two industry-standard interface programs. *See id.* ¶¶ 78-86. In addition, BellSouth provides CLECs with access to two testing environments. *See id.* ¶ 88. Both of these protections render a go/no-go procedure unnecessary. *See id.* ¶ 89; *GPSC Comments* at 128. By contrast, in the *Texas Order*, which AT&T mistakenly relies upon, the Commission found that a go/no go vote would "minimize[] any adverse consequences *associated with the lack of versioning*." *Texas Order* ¶ 116 (emphasis added).

B. Commenters' Remaining OSS-Related Arguments Also Provide No Reason To Reject This Application.

1. Regionality

Several CLECs challenge the fact that BellSouth provides access to checklist items on a region-wide basis. These challenges lack merit.

In approving Southwestern Bell's Application for section 271 relief in Kansas and Oklahoma, this Commission held that a BOC may demonstrate that its OSS are the "same" by showing that CLECs either use the identical system across different states or use separate systems that "reasonably can be expected to behave the same way."[36] As confirmed by the LPSC, "BellSouth has provided substantial evidence . . . either that there is a shared use of a

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[36] *Kansas/Oklahoma Order* ¶ 3.

single OSS, or, [where] it relies in part on separate systems, that the OSS can be reasonably expected to behave the same in all states." *LPSC Evaluation* at 26-27.

Despite this showing, WorldCom argues that, because Georgia and Louisiana come from different legacy companies, "there are likely important differences in BellSouth's legacy systems." *See WorldCom Comments* at 52-54; *WorldCom Lichtenberg Decl.* ¶ 118. But the Commission has previously rejected just such a speculative argument in the face of hard evidence of region-wide systems. *See Kansas/Oklahoma Order* ¶ 117 ("We also find unpersuasive WorldCom's general speculation that other OSS differences are 'likely' to exist."). In fact, the only difference raised by WorldCom – BellSouth's use of DOE and SONGS – was the subject of a thorough attestation examination by a third-party auditor, Pricewaterhouse-Coopers ("PwC"), which found no material difference in performance or functionality between the two systems. *See BellSouth Stacy Reply Aff.* ¶¶ 29-31. And contrary to WorldCom's allegation, PwC's investigation of this issue was extensive, and led to a reasoned conclusion that there was no material difference between DOE and SONGS.[37] *See BellSouth Lattimore Reply Aff.*; *BellSouth Stacy Reply Aff.* ¶¶ 384-389.

WorldCom also argues that there are differences in BellSouth's manual processes because managers sometimes exercise their discretion, and may do so differently. *See WorldCom Comments* at 53; *WorldCom Lichtenberg Decl.* ¶ 120. As the Commission explained in the *Kansas/Oklahoma Order*, BellSouth must demonstrate that "personnel involved in actual provisioning and maintenance/repair of CLEC orders in [Georgia] will do their jobs in the same

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[37] BellSouth modeled its attestation and request to PwC directly on the Southwestern Bell five-state regional OSS attestation examination, which was approved in SBC's filings with this Commission. *See BellSouth Stacy Reply Aff.* ¶ 30; *BellSouth Lattimore Reply Aff.* ¶ 6 (Reply App., Tab I); *see also, e.g., Kansas/Oklahoma Order* ¶ 107.

manner as those in [Louisiana]." *Kansas/Oklahoma Order* ¶ 113. The Commission relied upon several facts in finding SWBT's manual interfaces the "same" across its region. First, the Commission noted "the range of functions relating to different states that are performed by the same workforce out of common, five-state centers." *Id.* Second, the Commission noted that these "common centers coordinate field work activities in all five states; field personnel access the same systems and use the same procedures in all five states; personnel receive common training across all five states; and there is a common organizational structure across all five states." *Id.* The same facts are true for BellSouth's service centers. *See BellSouth Heartley Aff.* (Application App., Tab 9); *BellSouth Heartley Reply Aff.* (Reply App., Tab F).

2. Independent Third-Party Testing

As BellSouth explained above and in its Application, actual commercial usage and strong performance evidence demonstrate that BellSouth's OSS functions are operationally ready. *See Application* at 52-53. In addition, BellSouth demonstrated compliance through a thorough and independent third-party test supervised by the GPSC. *See id.* That test was intended to supplement, not supplant, actual usage of BellSouth's OSS; accordingly, the test focused on specific areas of concern. *See GPSC Comments* at 113, 116. As to those areas, the test provides *additional* evidence, on top of the enormous evidence of BellSouth's nondiscriminatory performance in actual commercial performance. *See Kansas/Oklahoma Order* ¶ 105. Although this Application can and should be approved based on performance evidence alone, the Georgia test serves that supplementary purpose well.

As the GPSC has explained in detail, it ordered an independent, third-party test of BellSouth's OSS that was proper both in its scope and in the manner in which it was conducted. *See GPSC Comments* at 113-26. Because of its prior involvement in overseeing the development of BellSouth's OSS, the GPSC chose to conduct a "focused audit," in areas where BellSouth had

not yet experienced significant commercial volumes, or in areas where CLECs had expressed concerns. *Id.* at 113, 116. In response to CLEC comments, the GPSC ordered that the third-party test be expanded to include other areas, such as OSS functions associated with xDSL and the processes and procedures for the collection and calculation of performance data. *See id.* at 114. Consistent with these orders, KPMG spent *two years* rigorously testing BellSouth's OSS. Using a military-style "test until you pass" philosophy, KPMG evaluated BellSouth's OSS based on more than 1,170 evaluation criteria in eight major test areas, and found over 95% of those criteria to be "satisfied," including all evaluation criteria in the areas of pre-ordering, maintenance and repair, billing and change management. *See id.* at 115.

CLECs attack KPMG's test on several general and specific grounds. CLECs also raise exceptions opened in KPMG's third-party test in Florida. We address the general allegations below. The reply affidavits of William Stacy and Alphonso Varner and their attachments address each of the specific arguments, including each Florida test exception that CLECs have noted here, in detail. As those reply affidavits explain, BellSouth has addressed or is addressing each of these issues, and none raises a concern that threatens competition.

AT&T attacks the blindness of KPMG's test. *See AT&T Bell Decl.* ¶¶ 49-53. As this Commission has recognized, however, the fact that BellSouth sometimes knew that KPMG was submitting the order, however, does not impact the validity of the third-party test. As the Commission has stated, and as KPMG has agreed, it is virtually impossible for there to be total blindness. *See Massachusetts Order* ¶ 45. *See also BellSouth Stacy Reply Aff.* ¶¶ 337-339; *GPSC Comments* at 124-25. This is true because, in many cases, it is impossible to shield from the ILEC the identity of the trading partner that submits an order through an electronic

interface.[38] *See BellSouth Stacy Reply Aff.* ¶ 339. All orders contain a data value that identifies the source of the order so that responses can be returned to the correct trading partner. *See id.* Moreover, by design, the wide variety of transaction types submitted by the pseudo-CLEC during the tests is much broader than the relatively narrow scope of order types submitted currently by real CLECs. This diversity would have been highly unusual, and easily spotted by BellSouth. *See id.*[39] For this reason, BellSouth implemented certain procedures, such as making sure that all documents and training provided to KPMG were made generally available to all CLECs, to ensure that KPMG would not receive preferential treatment. *See Massachusetts Order* ¶ 45 (noting that the same procedures to avoid preferential treatment were used). Thus, contrary to CLEC arguments, it is clear that KPMG acted at all times as required by its role as an independent auditor. *See BellSouth Stacy Reply Aff.* ¶ 340.[40]

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[38] In many cases (*e.g.*, LNP orders) the transactions evaluated for the OSS test were live orders submitted by real CLECs, or by KPMG using the CLEC's production information. Because KPMG negotiated directly with the CLECs who participated in the LNP portion of the test, BellSouth had no knowledge of the actual CLECs submitting requests on behalf of KPMG, or KPMG on behalf of the CLEC, while the transaction portion of the test was in progress. *See BellSouth Stacy Reply Aff.* ¶ 339.

[39] Moreover, during KPMG's test in Georgia, steps were taken to determine whether the same software, running on the same computing complexes, processed real and test orders. No evidence has been produced that BellSouth purposely programmed its systems to correctly process pseudo-CLEC orders, and to incorrectly process orders for real CLECs. On the contrary, all evidence collected to date suggests that the interfaces provide the same functionality to all CLECs. *See BellSouth Stacy Reply Aff.* ¶ 339.

[40] Some CLECs have alleged that BellSouth provided preferential treatment to KPMG's orders and thereby undermined the validity of the third-party test – an issue also raised by the DOJ. *See AT&T Bell Decl.* ¶¶ 47-48; *AT&T Bradbury Decl.* ¶ 245; *DOJ Evaluation* at 5 n.14. This allegation was thoroughly addressed by BellSouth in its Application, *see BellSouth Stacy Aff.* ¶¶ 448-463, and was expressly considered and rejected by the GPSC. *GPSC Comments* at 122-26.

Some CLECs raise complaints over KPMG's normal and peak volume tests in the Reengineered Services, Installation and Maintenance Management System ("RSIMMS"). *See AT&T Norris Decl.* ¶¶ 15-28; *CTAG Comments* at 3; *Covad Comments* at 8-9. These arguments are the same ones that were raised by CLECs before, and rejected by, the GPSC. *GPSC Comments* at 119-21. Although CLECs argue that RSIMSS is not equal to BellSouth's production environment, they ignore the fact that since the third-party test in Georgia, BellSouth has *increased* the capacity of its production environment so that it actually exceeds that of RSIMMS. *See BellSouth Stacy Reply Aff.* ¶ 378. Accordingly, the KPMG test, if anything, understates BellSouth's capabilities. *GPSC Comments* at 121 ("As a result of such upgrades, the capacity of BellSouth's production environment currently *exceeds* the capacity of RSIMMS as the time of the third-party test. . . . Since the production environment has been upgraded such that its capacity now exceeds that of RSIMMS, [KPMG's] testing gives ample assurance that BellSouth's OSS can handle 'real-world CLEC volumes.'"); *see also BellSouth Stacy Reply Aff.* ¶¶ 375-383.[41]

Covad complains about the scope of KPMG's test in Georgia, specifically mentioning that KPMG did not test all aspects of BellSouth's xDSL OSS capabilities. *See BellSouth Stacy Reply Aff.* ¶ 324. Covad fails to mention, however, that KPMG did not test mechanized ordering of xDSL capabilities because the mechanized ordering of xDSL-capable loops was not yet

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[41] CLECs also raise arguments about KPMG's exercise of professional judgment. *See CTAG Comments* at 3-4. But, as confirmed by the GPSC, the exercise of professional judgment by KPMG in conducting the Georgia test is entirely consistent with that used in all of the third-party tests conducted by KPMG in the other states that have received section 271 approval. *See BellSouth Stacy Reply Aff.* ¶ 341; *GPSC Comments* at 117-18. In each instance where KPMG has been involved in OSS testing, KPMG has used its professional judgment, and it is absurd to suggest that KPMG should have avoided doing so in Georgia. *See BellSouth Stacy Reply Aff.* ¶ 41.

available at the time the scope of the third-party test was finalized. *See id.* ¶ 325. Moreover, the Georgia third-party test included an xDSL Process Parity Review, which evaluated the manual processes and systems that provide pre-ordering, ordering, and provisioning of xDSL requests. *See id.* ¶¶ 328-329.

3. Remaining Issues as to BellSouth's Systems

a. Pre-Ordering Functions

Integration. BellSouth provides CLECs with all of the information and capability for integrating their pre-ordering and ordering interfaces. *See BellSouth Stacy Reply Aff.* ¶¶ 8, 148. Indeed, many CLECs have successfully integrated the TAG pre-ordering interface with the EDI and TAG ordering interfaces based on the specifications provided by BellSouth. *See id.* ¶¶ 145, 211 n.23.[42] Some CLECs nevertheless take issue with BellSouth's fulfillment of this requirement because BellSouth allegedly does not provide sufficient "parsing" of a customer service record ("CSR"). *See AT&T Bradbury Decl.* ¶¶ 25-40; *WorldCom Lichtenberg Decl.* ¶¶ 19-22; *see also US LEC Comments* at 29; *Mpower, et al. Comments* at 8.

These are essentially the same issues raised and resolved during the state 271 proceedings, where both the GPSC and LPSC accepted BellSouth's demonstration that its systems permit integration of pre-ordering and ordering functions. *See BellSouth Stacy Reply Aff.* ¶¶ 146, 148-151. In rejecting these complaints, the GPSC concluded that "the current access to CSRs offered by BellSouth, including what BellSouth provides to CLECs from a parsing

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[42] Covad again argues that the lack of pre-ordering functionality in EDI prevents it from integrating. *See Covad Comments* at 8. This has not deterred other CLECs, however, from successfully integrating pre-ordering and ordering functions. *See BellSouth Stacy Reply Aff.* ¶ 211. Furthermore, Covad conveniently ignores that WorldCom submitted a change request to the CCP, requesting pre-ordering functionality for EDI. Because CCP participants have prioritized this change request 21st out of 36 pre-ordering and ordering changes requests, further development is currently on hold. *See id.* ¶ 212.

standpoint, is nondiscriminatory." *GPSC Comments* at 88. The LPSC similarly found that "BellSouth is in compliance with the FCC's requirements by providing CLECs with the same CSR data stream that it provides its own retail units." *LPSC Evaluation* at 34. This Commission should concur in the state PSCs' conclusions.

Contrary to CLEC arguments, this Commission has never required a BOC to perform parsing on its side of the interface. Rather, the Commission has stated that "the BOC must *enable* competing carriers to transfer pre-ordering information electronically to the BOC's ordering interface or to the carriers' own back office systems, which *may* require 'parsing' pre-ordering information into identifiable fields." *New York Order* ¶ 132 (emphasis added). The Commission thus focuses on "whether integration has been shown to be possible," not whether parsing is done by the BOC. *Texas Order* ¶ 153 n.413.

BellSouth meets that obligation. BellSouth provides CLECs the ability to parse information on the CSR through TAG. The TAG gateway transmits the CSR information as a stream of data, which a CLEC can parse to the same line level using the same unique section identifiers and delimiters that BellSouth does for itself. *See BellSouth Stacy Reply Aff.* ¶ 145. For this reason, AT&T's assertion, *AT&T Bradbury Decl.* ¶ 34, that BellSouth's retail marketing and sales support systems, the Regional Negotiation System ("RNS") and the Regional Ordering System ("ROS"), have extensive parsing capabilities in contrast with those of the CLEC interfaces, is false. *See BellSouth Stacy Reply Aff.* ¶ 159.

Several CLECs have made the business decision to parse CSR information beyond that level, but this higher level of parsing is programmed by the CLECs on *their* side of the interface, just as BellSouth has done for its retail operation. *See id.* As explained above, numerous CLECs have successfully integrated BellSouth's pre-ordering and ordering interfaces. *See id.* ¶ 211.

These CLECs apparently include AT&T, WorldCom, and ITC^DeltaCom – all of which have admitted that they successfully integrated TAG pre-ordering with EDI ordering. *See id.* ¶¶ 160-161; *see also BellSouth Stacy Aff.* ¶ 37 nn.7-9.[43] The existence of CLECs that have integrated conclusively demonstrates that integration is "possible" and thus that BellSouth satisfies its obligations.

WorldCom nonetheless argues that, even assuming that some CLECs have integrated, integration has not been successful because reject rates remain high. As an initial matter, as explained above, BellSouth's reject rates are comparable to those in other applications approved by this Commission. *See BellSouth Stacy/Varner/Ainsworth Reply Aff.* ¶ 20. Moreover, as evidenced by the fact that many CLECs that have integrated have low reject rates, BellSouth is certainly permitting effective integration. *See BellSouth Stacy Reply Aff.* ¶ 148.

In any event, although section 271 does not require BellSouth to do so, BellSouth is currently working with CLECs as part of the CCP to deliver further parsing of CSR data. *See id.* ¶ 146. As ordered by the GPSC, BellSouth will implement this further parsing capability by January 5, 2002, with testing in CAVE available December 10, 2000. *See id.* ¶ 145; *GPSC Comments* at 88. The LPSC has also ordered BellSouth to implement this functionality. *See LPSC Evaluation* at 33.

Access to Due Date Information. After the *Second Louisiana Order*, BellSouth implemented an electronic due date calculator in LENS that allows CLECs to view an installation calendar and obtain an automatically calculated estimate due date. *See Bellsouth Stacy Reply Aff.* ¶ 131. Moreover, with the implementation of Release 6.0, LENS now has the

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[43] Notably, neither WorldCom nor ITC^DeltaCom contests its successful integration of TAG and EDI in their comments here.

same due date functionality as TAG. *See id.*; *GPSC Comments* at 88-89. AT&T, however, raises several complaints related to BellSouth's due date calculator. *See AT&T Bradbury Decl.* ¶¶ 41-51.

First, AT&T argues that BellSouth's systems do not calculate due dates for certain products and services. *See id.* ¶ 45. This, however, does not result in discriminatory access to due dates for CLECs. Contrary to AT&T's arguments, it is unreasonable to expect that all LSRs will have automatically calculated due dates. LSRs for certain complex resale services and UNEs may be sent electronically via EDI, TAG, or LENS, but fall out by design for manual handling. *See BellSouth Stacy Reply Aff.* ¶ 133. For example, complex LSRs involving systems designers and consultants will fall out for manual handling. To prepare the service request for entry, these designers and consultants must clarify and, if necessary, expand upon the information received from the end-user customer to calculate an accurate due date. *See id.* Because the same is true, however, for such orders from BellSouth's retail units, CLEC access to due dates is nondiscriminatory. *See id.*

AT&T also claims that BellSouth has not provided CLECs with an automatic due date calculation capability equivalent to that used by BellSouth's retail operations. *See AT&T Bradbury Decl.* ¶ 43. This argument also lacks merit. Due date intervals are determined by standard "business rules" that have been provided to CLECs through both industry letters and the *BellSouth Product and Services Interval Guide*, which contains intervals for resale services, complex services, and UNEs. *See BellSouth Stacy Reply Aff.* ¶ 134. The intervals in the *Interval Guide* are the same intervals used for BellSouth retail customers (except those for UNEs, which BellSouth does not use in its retail operations). *See id.* ¶ 135. No due date is ever "guaranteed" or "reserved" for either CLECs *or* BellSouth's retail units at the pre-ordering stage. Both CLECs

and BellSouth's retail operations receive actual due dates only when the orders are actually processed. *See id.* Although BellSouth uses its best efforts to meet the due dates, BellSouth's ability actually to do so is subject to numerous factors, including the availability of facilities, workforce, and weather. *See id.* But again, this is as true for BellSouth as it is for CLEC services. *See id.*; *see also Kansas/Oklahoma Order* ¶ 155.

Third, AT&T complains that BellSouth relies substantially on manual processing while taking an unreasonably long time to return FOCs for partially mechanized orders, and, as a result, due dates for CLECs are often later than those for BellSouth's retail customers. *See AT&T Bradbury Decl.* ¶ 43. For the reasons discussed above, AT&T's claim that BellSouth takes too long for manually handled orders is particularly misguided. In fact, BellSouth continues consistently to meet the applicable benchmarks even as order volume has surged over the past few months. *See BellSouth Stacy Reply Aff.* ¶ 136; *BellSouth Stacy/Varner/Ainsworth Joint Reply Aff.* ¶¶ 35-43. As the LPSC confirmed, "BellSouth has provided the [LPSC] with performance data . . . demonstrating that it met the vast majority of applicable benchmarks for returning [FOCs] (electronic, partially mechanized, and manual) in . . . April, May and June of 2001." *LPSC Evaluation* at 34. Moreover, the GPSC stated that "while an estimated due date calculation would not be provided in the pre-ordering mode in certain situations when an LSR falls out for manual handling, [due dates] for service requests that require manual handling are impacted the same with respect to due dates whether they originate from a BellSouth retail

customer or a CLEC. Therefore, the Commission concludes that this does not result in discrimination." *GPSC Comments* at 88-89.[44]

In sum, the CLECs' arguments that they lack nondiscriminatory access to due dates are unfounded.

b. Maintenance and Repair Functions

Both the GPSC and LPSC concluded that BellSouth provides CLECs with access to maintenance and repair functions in substantially the same time and manner as BellSouth offers access for its own retail customers. *See GPSC Comments* at 108-10; *LPSC Evaluation* at 48-49.

Repeating arguments that were raised – and rejected – before the state PSCs, however, AT&T contests yet again the nondiscriminatory nature of the electronic trouble reporting systems BellSouth provides to competitors (the Trouble Analysis Facilitation Interface ("TAFI") and the Electronic Communication Trouble Administration ("ECTA") gateway). *See AT&T Bradbury Aff.* ¶¶ 157-166. In essence, AT&T argues that BellSouth should be required to provide TAFI functionality through ECTA. But, contrary to AT&T's allegations, the Commission does not require a BOC to provide a machine-to-machine maintenance and repair interface. *New York Order* ¶ 215; *Texas Order* ¶ 203 n.565. *See also GPSC Comments* at 110. Rather, the issue is whether the access BellSouth provides to CLECs is nondiscriminatory. That is unquestionably the case here. *See BellSouth Stacy Reply Aff.* ¶¶ 305-317.

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[44] AT&T argues that the due date calculator in LENS sometimes provides the wrong due date. *See AT&T Bradbury Decl.* ¶ 44. But, as the GPSC concluded, "[t]he Commission is not persuaded by AT&T's argument that BellSouth does not provide accurate due date calculations." *GPSC Comments* at 88; *BellSouth Stacy Reply Aff.* ¶ 132. In addition, AT&T alleges that when LSRs fall out for manual processing, they lose their place in queue for being assigned due dates. *See AT&T Bradbury Decl.* ¶ 46. AT&T is wrong. Due dates are assigned on a first-come, first-served basis. To be clear, service requests that require manual handling are impacted alike, whether they originate from a Bellsouth retail customer or a CLEC, because the process for such handling is the same. *See BellSouth Stacy Reply Aff.* ¶ 139.

The fact that AT&T submitted a change request to introduce TAFI functionality in ECTA does not change that conclusion. *See id.* ¶¶ 312-313. BellSouth supplied a detailed response to AT&T in June 2000, explaining that AT&T could submit a Bona Fide Request ("BFR") to BellSouth for custom development work to meet its request, but that AT&T would have to bear all of the development costs. *See id.* ¶ 312. After all, AT&T is requesting "the development of a specialized interface for maintenance and repair that is not industry standard." *LPSC Evaluation* at 48. In other words, adding TAFI functionality to ECTA changes the scope of ECTA, making it no longer compliant with these national standards – in fact, it would become a "non-standard" interface. *See BellSouth Stacy Reply Aff.* ¶¶ 313-316. As the LPSC concluded, requiring AT&T to pay the costs of this change "represents the most reasonable alternative for resolving any dispute regarding the development of additional interfaces." *LPSC Evaluation* at 48-49. Moreover, the GPSC and the Florida Public Service Commission both adopted BellSouth's position in arbitrations between BellSouth and AT&T. *See BellSouth Stacy Reply Aff.* ¶¶ 308-309.

c. Billing

As BellSouth demonstrated in its Application, BellSouth met or exceeded the benchmark in almost every billing measure in both Georgia and Louisiana in May through July 2001. *See Application* at 88-89. BellSouth's performance for these measures in August and September has similarly been excellent, demonstrating that BellSouth provides accurate and timely bills and usage information. *See* BellSouth Monthly State Summaries – Georgia, August-September 2001 (B.4.1, F.9.1 to F.9.4); *GPSC Comments* at 111-12. Nevertheless, CLECs raise complaints about BellSouth's billing performance.

First, WorldCom and AT&T complain that BellSouth does not provide CLECs with billing completion notifiers ("BCNs"). *See AT&T Bradbury Decl.* ¶ 148; *WorldCom Lichtenberg Decl.* ¶ 83. AT&T and WorldCom fail to mention, however, that Southwestern Bell also does not offer a BCN in any state in which it operates. *See BellSouth Scollard Reply Aff.* ¶ 9 (Reply App., Tab N). The reason for this is simple – as WorldCom concedes, a billing completion notice has never been developed by any industry body, such as the Ordering and Billing Forum ("OBF"), for use in telecommunications. *See id.*; *WorldCom Lichtenberg Decl.* ¶ 83. In any event, BellSouth already supplies information to CLECs on the updated CSR reflecting the effective date on which BellSouth's billing to an end-user will stop and the date on which billing to the CLEC will begin for all conversion orders, which allows the CLEC to perform billing in the same manner as BellSouth. *See BellSouth Scollard Reply Aff.* ¶ 9.

Second, WorldCom raises an issue with BellSouth's "hold file" process, which is the process used to detect and correct any order errors before the CSR is updated. The hold file process is a crucial step toward ensuring that service order information is accurately applied to the CSR. *See id.* ¶ 6. Yet, the impact of this important step is minor – the hold file process is performed on only about 0.5% of service orders, and the vast majority of service orders that contain these types of errors are corrected in one or two business days. *See id.* Moreover, because the process is used on all types of orders for retail customers and CLECs, and the orders are processed using the same systems and processes, the impact (if any) on both BellSouth and CLECs is the same. *See id.*

The remaining issues raised by CLECs about BellSouth's billing performance, few of which were raised before the GPSC or LPSC, are addressed in the reply affidavit of David Scollard.